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U.S. ATTORNEY ALBRITTON ANNOUNCES LATEST RESULTS
IN THE MIDDLE DISTRICT OF FLORIDA'S
MORTGAGE FRAUD INITIATIVE
AS PART OF NATIONWIDE TAKEDOWN, OPERATION STOLEN DREAMS

Tampa – U.S. Attorney A. Brian Albritton announces the most recent charges in the Middle District of Florida's Mortgage Fraud Initiative, a push to investigate, prosecute, and bring to justice swiftly those whose fraudulent activity contributed to the real estate market collapse in Florida and the subsequent economic crisis. These charges are announced in tandem with the announcement by Attorney General Holder earlier today of a nationwide mortgage fraud takedown that targeted similar cases across the country: Operation Stolen Dreams.

The Middle District of Florida's Mortgage Fraud Initiative began early last year with the Mortgage Fraud Surge, an intensive investigative and prosecutorial effort by the U.S. Attorney's Office, the Federal Bureau of Investigation, and numerous other federal state and local law enforcement agencies. The Surge culminated in charges against more than 100 defendants late last fall. Following the Surge, the United States Attorney's Office, FBI, and other law enforcement agencies have continued aggressively to pursue larger and more complicated frauds along with additional lower-level frauds uncovered during the Surge.

Today, U.S. Attorney Albritton announces that, in this second phase of the Initiative since the end of the Surge, the United States Attorney's Office has thus far charged an additional 21 defendants in cases involving at least 570 properties and millions of dollars of loss—in one case, between six and seven million dollars loss is attributed to a single defendant. These defendants include:

Joseph Daniele, arrested last week on a complaint alleging that he ran a “no money down” fraudulent investment scheme involving more than 400 properties, 75% of which are in foreclosure;

Michael Joseph Chadwick, who allegedly used fraud to obtain mortgages on nine condominiums worth \$2.2 million and defaulted on all of them (plea agreement filed; scheduled for plea July 2010);

Joseph Ulysses Grant IV, a mortgage broker who allegedly inflated buyers' assets and incomes and concealed the source of down payments to obtain mortgages on 13 properties for more than \$1 million (set for trial September 2010);

Jakale Freeman, a trustee who stole trust assets, both money and properties, for his own benefit (pleaded guilty May 2010; sentencing scheduled August 2010);

John LeBron, who allegedly ran a short-sale scheme while on probation for another federal crime (complaint filed June 2010);

David Wesley Vickers, a builder who allegedly conspired to obtain mortgages for potential buyers using false gift letters and other fraudulent documentation to support mortgages for 20 properties worth nearly \$3,000,000 (set for trial July 2010);

Troy Bossert, Tyler Forrey, Ryan O'Brien, Stephen Petrovich, Steven Reese, and James O'Brien, a group of real estate professionals and borrowers who

allegedly conspired fraudulently to obtain cash from real estate transactions by inflating the sales price of properties and falsifying Housing and Urban Development (HUD) statements (all six have pleaded guilty and are set for sentencing this summer);

and **Sang Min, a/k/a “Sonny” Kim**, who was charged this week in connection with a plea agreement stating that Kim fraudulently “flipped” dozens of properties by using nominee borrowers and took kickbacks from the transactions.

The Middle District of Florida’s Mortgage Fraud Initiative is one part of Operation Stolen Dreams, a concerted effort that began March 1 in Districts across the country to combat mortgage fraud. The Operation involves all 93 U.S. Attorney’s Offices and all major federal investigative agencies. It focuses on both criminal prosecutions and civil enforcement of mortgage fraud statutes, as well restitution for victims of fraud and increasing the cooperation with state and local partners to investigate mortgage fraud cases. Attorney General Eric Holder announced earlier today that Operation Stolen Dreams has netted 1215 criminal defendants and approximately 395 civil defendants nationwide and involves cases with total losses of \$2.3 billion. It was organized by President Barack Obama’s interagency Financial Fraud Enforcement Task Force, which was established to lead an aggressive, coordinated, and proactive effort to investigate and prosecute financial crimes.

Attorney General Holder said today from Washington: “Mortgage fraud ruins lives, destroys families and devastates whole communities, so attacking the problem from every possible direction is vital. We will use every tool available to investigate, prosecute, and prevent mortgage fraud, and we will not rest until anyone preying on vulnerable American homeowners is brought to justice.”

In Tampa, U.S. Attorney Albritton stated, “During the second phase of our Mortgage Fraud Initiative, the U.S. Attorney’s Office along with our federal, state, and local law enforcement partners have worked rapidly and diligently to shorten the normal timetable of these cases and bring to justice those who have committed these frauds. Our efforts continue, and we seek to send a message to those who would commit such offenses here in the Middle District of Florida: if you commit such offenses, you will be prosecuted, and face significant jail time.”

Further information on the Middle District of Florida’s Mortgage Fraud Initiative—including updated information regarding the original Mortgage Fraud Surge defendants—can be found on the U.S. Attorney’s Office website. For further information about the national effort during Operation Stolen Dreams, contact Hannah August, 202-514-2007. For local information, contact Steve Cole, 813-274-6136.

The President’s Financial Fraud Enforcement Task Force includes representatives from a broad range of federal agencies, regulatory authorities, inspectors general, and state and local law enforcement who, working together, bring to bear a powerful array of criminal and civil enforcement resources. The task force is working to improve efforts across the federal executive branch, and with state and local partners, to investigate and prosecute significant financial crimes, ensure just and effective punishment for those who perpetrate financial crimes, combat discrimination in the lending and financial markets, and recover proceeds for victims of financial crimes. For more information on the task force, visit StopFraud.gov.

Agencies taking part in the Middle District’s Mortgage Fraud Initiative include The Federal Bureau of Investigation, the U.S. Secret Service, the Internal Revenue Service

- Criminal Investigation, the Department of Housing and Urban Development - Office of Inspector General, the U.S. Postal Inspection Service, U.S. Immigration and Customs Enforcement, the Florida Department of Law Enforcement, the Florida Department of Financial Services, Division of Insurance Fraud, and the Florida Office of Financial Regulation.

Many of the defendants mentioned in this press release are only under complaint, information, or indictment. Such instruments are charging documents only, and every defendant is presumed innocent unless, and until proven guilty.